



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

Regions Financial Corporation / Regions Bank

Person to be contacted regarding this report:	David Turner
CPP Funds Received:	\$3,500,000,000
CPP Funds Repaid to Date:	\$0
Date Funded (first funding):	11/14/2008
Date Repaid ¹ :	

RSSD: (For Bank Holding Companies)	3242838
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	12368
City:	Birmingham
State:	Alabama

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/> Increase lending or reduce lending less than otherwise would have occurred.	The CPP boosted Regions Capital levels and provided a very strong financial position that allowed Regions to continue executing on our strategic business model by serving our customers lending needs. Regions had a total of \$65 billion new and renewed loan commitments for 2009.
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<input checked="" type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	Residential mortgage originations were \$9.6 billion including \$2.9 billion in loans for new home purchase. Home Equity, Student Lending and Auto loans totaled \$2.8 billion. New loans to Small Business and Commercial customers were \$14.2 billion and renewed commitments were \$38.3 billion.
<input checked="" type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	Regions added \$5.9 billion in Agency MBS to its Investment Portfolio in 2009.
<input type="checkbox"/>	Make other investments	n/a
<input checked="" type="checkbox"/>	Increase reserves for non-performing assets	Regions increased the allowance for loan losses by \$1.3 billion.

<input checked="" type="checkbox"/>	Reduce borrowings	Regions wholesale funding position declined by over 31% in 2009, and presently has zero reliance on the short-term unsecured wholesale funding markets.
<input checked="" type="checkbox"/>	Increase charge-offs	Our efforts to de-risk the balance sheet and actively dispose of \$1.7 billion problem credits resulted in \$2.25 billion in net charge-offs.
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	n/a
<input checked="" type="checkbox"/>	Held as non-leveraged increase to total capital	Regions Tier1 Capital increased from 7.37% to 10.38% as a result of the CPP proceeds received in November 2008.

What actions were you able to avoid because of the capital infusion of CPP funds?

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

Treasury's CPP served to stabilize the financial markets as a whole, and for Regions specifically, provided several core elements. It enhanced the liquidity position of both Regions Bank, and Regions Financial Corporation as it is a source of long-term committed funding. It also strengthened the balance sheet by bolstering the capital position. The CPP supported Regions ability to continue executing on our strategic business model by serving customers through our core lending businesses, and our Customer Assistance Program. Moreover, the CPP effectively offered a bridge to the more stable environment that prevailed in late Spring 2009 when Regions, as well as the rest of the industry, could raise capital in the private markets.

Absent CPP, Regions' capacity to meet the needs of creditworthy borrowers would have been greatly reduced. In 2009, total residential mortgage originations were \$9.6 billion, including \$2.9 billion for new home purchases. Other consumer lending, including Home Equity, Student Lending, and loans to finance automobile purchases totaled \$2.8 billion. Additionally, in support of our Small Business and Commercial customers, Regions made \$14.2 billion in new loan commitments, and renewed \$38.3 billion in loan commitments to existing customers. In total, new and renewed loan commitments for 2009 were \$65 billion.

Regions continues to work to meet the individual needs of troubled borrowers to stem foreclosures. Well before the full effects of the credit crisis were realized, Regions launched an extensive Customer Assistance Program (CAP). Since CAP's inception in the fall of 2007, Regions has reached out to more than 330,000 customers and has helped more than 28,000 customers stay in their homes. To date Regions has restructured more than \$2.0 billion in mortgages. Overall, the number of Regions first mortgage loans in the foreclosure process is less than half the national average, despite our large presence in the hard-hit Southeast region.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

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According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.